

State of the City Address
by Pleasanton Mayor Jennifer Hosterman

March 24, 2009

Good afternoon, Ladies and Gentlemen. I want to thank the Pleasanton Chamber of Commerce for hosting this event, and each and every one of you for attending today.

A discussion of the State of the City of Pleasanton must begin with the recognition of the current global economic crisis. We face the greatest economic challenges most of us have seen in our lifetimes. The weakened U.S. economy has reverberated across the world, touching every continent. And here at home, circumstances at the state level are just as grim, with California's credit rating now the lowest among the 50 states. Legislators wrestled to compromise on a budget of higher taxes and serious cuts to education, following a 15-week impasse.

The economy globally has a direct effect on us locally. We in Pleasanton are by no means immune from this domino affect. We have experienced lost jobs and home foreclosures, just as much of the nation has. Real estate values have dropped, although not as significantly as in other areas. As you know, cities rely heavily on property and sales tax as sources of revenue. Flagging retail sales have affected Pleasanton's bottom line, as businesses, both large and small, face a consumer fear of spending. Development fees, once the icing on the revenue-generating cake, are diminished – during the heyday of 2004, building permits numbered almost 7,500, while in 2008, only 3,700 applications were processed. And, finally, one of our shining stars, the Pleasanton Unified School District, is struggling in these trying times to balance a \$10 million dollar shortfall in the next two years. Notwithstanding these troubling times, I remain confident that, through fiscally sound practices developed over the years as a part of our budgetary processes, Pleasanton will remain strong.

John Wayne once said "Courage is being scared to death – and saddling up anyway." I tell you today that the Pleasanton we know, with its high quality of life we so enjoy, will continue. We will "saddle up" by adjusting to the economy while continuing to provide the same standard of services and amenities that draw residents to our town, year after year.

Despite the uncertainty and downward trend of federal and state budgets, the City of Pleasanton is one of a handful of municipalities with solid, healthy reserves and a strategy to move forward. Our award-winning fiscal policies have facilitated the development of several reserve funds. By careful use of these funds, leaving some City positions vacant, spending less operationally and re-assessing our priorities, we will weather this current economic storm.

Under the direction of our City Manager, and with the support of the City Council, all departments are trimming their individual budgets in ways that should not affect resident services. We will put some capital improvement projects on hold and defer replacement of equipment until the economy gains momentum. To date, we have made adjustments of just over \$9 million, and the City Manager believes that for now, jobs are safe.

To help finance infrastructure projects, we recently applied for and received \$1.5 million dollars from the American Recovery and Reinvestment Act of 2009, President Obama's stimulus package that provides federal aid for local street and road projects. This money will be used to repair and repave about 13 miles of roadway. We will pursue stimulus monies in such vital areas as housing, transportation, public safety and economic development, where clean energy opportunities can create jobs and improve the health of our environment.

Whether or not we are the recipients of a portion of the federal stimulus package, we are, and will continue to be actively engaged in planning for our future. When this economy improves, we will be prepared to ride the wave, rather than play catch-up. After all, we are known as the City of Planned Progress.

To this end, we are working to complete our General Plan; we have approved a new senior housing project to be built by Ponderosa Homes; and we continue to plan for more affordable housing in the Hacienda Business Park near the existing BART station. We approved a beautiful, 350-unit transit oriented apartment complex near the new West Dublin BART station. Construction on the new station continues and should be complete late this year. And, we are

working to approve the entitlements for the Staples Ranch development, which has all the makings of a signature project that will positively impact generations to come.

Good planning requires funding and right now, the federal government has dedicated huge sums of money to invigorate the economy. We want a piece of that action! I kicked off 2009 with a visit to Washington, D.C. with fellow Mayors from the Tri-Valley. Joining me were Mayor Tim Sbranti of Dublin, Mayor Wilson from San Ramon, Mayor Arnerich from Danville, and Vice Mayor Marchand, representing Mayor Marshall Kamena of Livermore. Together we represent a population exceeding 260,000. Together, we are pursuing funding for the regional priorities of:

1. An East Bay Regional Communications System that will link all public safety agencies in the region;
2. Transportation improvements; and
3. Developing a regional Recycled Water Master Plan.

We continue to work hard to influence our state lawmakers on behalf of the Tri-Valley region. Our collective concerns center on protecting our local government revenue, improving local and regional transportation, and housing. I, along with my elected colleagues in the Tri-Valley, will continue to be a strong voice in our ongoing dialogue with our federal and state legislators, so our needs and concerns are addressed when it comes time to vote.

At this time, I would like to acknowledge your City Council, individuals that work tirelessly for our community. Each and every one brings a special strength and knowledge to the table on behalf of the people of Pleasanton, and I am so honored to work beside all of them. Councilmember Jerry Thorne was recently appointed to serve on the National League of Cities Community and Economic Development Policy and Advocacy and Steering Committee. He was also appointed to the League's Energy, Environment and Natural Resources Committee to represent the State of California.

Councilmember Thorne is also very active in the League of California Cities, where he serves as President of the East Bay Division. Councilmember Cheryl Cook-Kallio is the voice of civic engagement on the Council. Her background in education and interest in civic responsibility

serves as an excellent model for all of us, and particularly to the young people who will take the reigns of government in the future. Councilmember Cindy McGovern has advocated for children and education in the Pleasanton community for more than 30 years and currently serves on 12 local and regional government committees.

Her knowledge of the Pleasanton school district is a tremendous resource that we tap to develop partnerships to benefit our youth. Councilmember Matt Sullivan contributes with his deep concern and innovative ideas about environmental stewardship and sustainability. Councilmember Sullivan has been at the forefront of Pleasanton's energy, environmental, green building, recycling and climate change programs and the establishment of the city's sustainability initiatives. Pleasanton has a long history of success, and together we accomplished much in this past year, even in a sputtering economy.

1. We broke ground on the Firehouse Arts Center, slated to open in spring of 2010 – a new place to make and view art in many forms. Our new Firehouse Arts Center will be an economic catalyst to downtown, adding yet another beautiful venue for entertainment.
2. We opened our new Alviso Adobe Community Park, where local school children can visit and learn about the people who came before us -- an interpretive park unlike any other in Northern California.
3. We broke ground on the Bernal Community Park, launching a 17-year effort that will result in a recreational resource for the people of Pleasanton that is half the size of New York City's Central Park. The first phase of baseball fields is nearly complete.
4. Last year, I and Supervisor Haggerty agreed to Pleasanton's acquisition of the former Southern Pacific Railroad corridor, which land will supply much needed parking for the Firehouse Arts Center and Downtown businesses.
5. We have also completed major upgrades to the City's popular Gingerbread Preschool, every element of which is designed to improve children's social, emotional, physical, and cognitive development.

6. Ensuring our quality of life by protecting and improving the quality of our community requires a commitment to sustainability as a core principle. 2008 saw your City Council demonstrate this commitment most visibly by approving the formation of the Committee on Energy and the Environment.

Those chosen to serve as the inaugural members bring extensive experience in environmental issues and a commitment to helping lead us towards the critical goal of a sustainable future. We look forward to their contribution.

7. Last year saw the birth of the City's battery recycling program, making it more convenient for all to dispose of our used batteries. In the program's first two months, you have dropped off more than two tons of batteries. This is strong evidence that our community is ready to act to protect our waterways and landfills from toxic substances. Ladies and gentlemen, people want to do the right thing – they just need the opportunity.

8. We are also stepping up the City's fats, oils and grease program to protect our infrastructure and environment from the disposal of products that clog and contaminate them.

9. During our 2008 e-waste collection weekend at the Fairgrounds, residents disposed of enough electronic equipment to fill 8 tractor trailers and 4 bobtail trucks. That is an incredible amount diverted from our landfills. We will build on this success at this year's e-waste event on April 17, 18 and 19 at the Fairgrounds. And, we are proud to announce that as part of this event, on April 18, you will be able to dispose of your unwanted or expired prescription medications as part of this event.

10. We also kicked off our Solar Cities program, a joint project with the Cities of Livermore and Dublin, to educate consumers about solar energy through free workshops, web resources, and targeted information to assist homeowners in making decisions about investing in photovoltaic systems. For more information, check out the City's website. The next free workshop will be held in Dublin, April 29th.

11. We added new services, including an on-line, campaign finance system that allows anyone to access candidate filings, which enhances transparency. You can now check sports field status on-line, and you can register for programs offered through the Parks and

Community Services on-line. If you have a non-emergency incident to report to the Police Department, you can now submit a police report on-line. Having an open and accessible city government is a top priority, so we now offer web streaming, and you can watch your City Council meetings from your computer. And, you can download a podcast of the most recent Planning Commission meeting onto your iPod – who needs Coldplay when you can listen to a Planning Commission meeting?

12. For our senior population, we offer several new services, including a monthly visit by the Mobile Health Unit, sponsored by ValleyCare Health System, at the Senior Center. This service includes free medical services such as exams, testing and more.

13. We also started a new Downtown paratransit route that operates throughout Downtown Pleasanton, free to those over age 65, connecting senior housing complexes to Main Street, favorite shopping destinations including grocery stores and the hospitals.

14. I mentioned the loss of jobs in this challenging economy, which we are addressing aggressively. Last year we co-hosted a series of small business workshops with the East Bay Small Business Development Center and fellow cities. Hundreds of attendees from small businesses turned out to take these free half-day classes. Another series of such workshops is already underway this year.

15. We also sponsored the Tri-Valley Employment Fair held in Livermore last year. This free event attracted about 1,000 participants and featured workshops and the opportunity to meet recruiters from the top employers in our region. Our regional website, trivalleyjobs.com, is gaining popularity, providing a much needed service to our residents and workers. And, a sign of this challenging economy -- just last month alone, jobs listings were viewed 43,700 times.

16. And even in these tough times, ladies and gentlemen, we have our very own local stimulus package. At 124 acres, Staples Ranch is the largest commercial development project currently underway in Pleasanton, and perhaps one of the last, as the city approaches build-out. Staples Ranch will be shovel ready this year. This project is based upon a dynamic plan that will result in broad amenities for Pleasanton and the region beyond, that includes the

relocation of the Pleasanton Auto Mall by Hendrick Automotive Group, as well as the Mercedes-Benz of Pleasanton dealership, a 45-acre senior continuing care community with a health center, an 11-acre commercial/retail development, a 17-acre community park, and a 5-acre neighborhood park. Included is the San Jose Sharks public ice skating facility with 4 separate ice rinks, a restaurant and pro shop. While different from Hacienda Business Park, Stoneridge Mall, and Ruby Hill, the Staples Ranch project is expected to create the same type of excitement as a destination for visitors from throughout the Tri-Valley and beyond.

But, we can't build a 124-acre development project that has no road to it. General George S. Patton once said that the ability to make decisions is the most important quality in a good leader. Patton warned against falling victim to the "Ready, Aim, Aim, Aim, Aim syndrome," when you must be willing to FIRE! Well, we finally fired a shot on the full extension of Stoneridge Drive. We may see some return fire, but in the meantime, we are moving ahead on the adjacent Staples Ranch project. I recognize that not all Council members agree with this position, but I respect their views and pledge to work with them in a collaborative manner to complete this project.

Traffic congestion remains a big concern for residents both within the city and on our freeways, and we have worked hard to improve mobility in a number of ways. Construction is underway to build an 11-mile carpool lane on EB I-580 to relieve gridlock on the second most congested freeway in the Bay Area. This is the first Northern California project to be built with Prop 1B transportation bonds passed by California voters in 2006. Our new SB I-680 HOT lane project is underway and slated for completion in late 2010.

Here in town, we will re-pave several miles of Pleasanton streets and open our second bridge over the Arroyo Del Valle to improve circulation in the Vineyard Corridor. The Pleasanton segment of the Iron Horse Trail was completed last spring – a 10-foot-wide paved path, perfect for walkers, runners, skaters and cyclists alike.

While we will, of course, continue to work with the Chamber of Commerce on providing meaningful forums to promote entrepreneurship, innovation and a green economy, I additionally expect the Chamber to be at the table with me, along with our regional partners, to finally design, fund and complete State Route 84. Completing Stoneridge Drive is key to

congestion relief for the region, but completing State Road 84 is key to congestion relief in Pleasanton.

Over the past year, Pleasanton has received recognition on state and national levels for several of our innovative programs, including the prestigious Helen Putnam Award for Excellence, along with our fellow sister cities, for the Tri-Valley Youth Health Initiative, designed to improve access to health and wellness services for adolescents in the Tri-Valley region. And, we received the 2008 Mayors' Climate Protection Award, as well as awards for the new Alviso Adobe Community Park. And, for the 7th consecutive year, Pleasanton received the award for Excellence in Budgeting by the California Society of Municipal Finance Officers. 463 cities are incorporated in the State of California, and only 54, or about 12%, have achieved this distinction!

And for 2 years in a row, our own Pleasanton Library has been chosen to participate in The Big Read, and our own Callippe Preserve Public Golf Course was recognized for environmental management excellence for its commitment to environmental stewardship.

We have additionally worked hard to expand our outreach to the community, and now publish *Pleasanton Today*, our quarterly newsletter. Our citywide open house last May drew hundreds of people to the Operations Service Center to meet City staff and learn about City programs and services. Yes, we will continue to hold open houses so you can learn about your city.

Ladies and gentlemen, we are truly blessed to live in this great community. This is a community built on a solid foundation of partnerships. Those partnerships exist between the City, the School District, our residents, our business community through the Pleasanton Downtown Association, the Tri-Valley Convention and Visitors Bureau, the Chamber of Commerce, and others, all working towards the common goal of making this an ever-better place to work, live and raise families.

All of our partners are willing to "saddle up" as John Wayne would say . . . because they, we, have the courage to do so. We will all rely on that foundation even more in the coming months

as we battle a waning economy, workforce layoffs, more need and fewer dollars. We will celebrate community through our annual events such as First Wednesdays, Concerts in the Park, the Hometown Holiday Parade, our weekly Farmer's Market, and those events that visit us, such as the Scottish Games and the Good Guys Car Show.

The Pleasanton model of a community that shares its resources and ideas to help each other during good times and bad will sustain us through this period.

In closing, I would like to acknowledge our military men and women who make a tremendous sacrifice to keep cities such as Pleasanton a safe place to live. Our thoughts and prayers are with our troops every day, and we look forward to their safe return.

Also, I want to thank the Pleasanton City Council and the many commissioners we have, all of whom devote countless hours to the people of Pleasanton. And, who better to lead the way in saddling up and moving forward than our City Manager, Nelson Fialho. I want to thank him for his strength, his insight, his stable and consistent leadership, along with the support of our wonderful city staff. Indeed, we live in a very special place. Thank you.

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